

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

**October 21, 2004**

**IN RE:**

**PETITION OF TENNESSEE AMERICAN WATER  
COMPANY TO CHANGE AND INCREASE CERTAIN  
RATES AND CHARGES SO AS TO PERMIT IT TO  
EARN A FAIR AND ADEQUATE RATE OF RETURN ON  
ITS PROPERTY USED AND USEFUL IN FURNISHING  
WATER SERVICE TO ITS CUSTOMERS**

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**DOCKET NO.  
04-00288**

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**ORDER SUSPENDING INCREASE IN RATES FOR NINETY DAYS  
AND APPOINTING A HEARING OFFICER**

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This matter came before Chairman Pat Miller, Director Deborah Taylor Tate and Director Sara Kyle of the Tennessee Regulatory Authority (the "Authority"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on September 27, 2004 for consideration of the *Petition of Tennessee American Water Company to Change and Increase Certain Rates and Charges So As to Permit It to Earn a Fair and Adequate Rate of Return on Its Property Used and Useful in Furnishing Water Service to Its Customers* ("Petition"). The *Petition* was filed by Tennessee American Water Company on September 10, 2004, with an effective date of October 10, 2004.

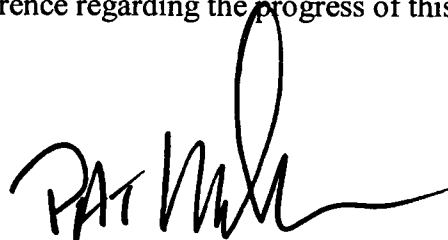
During the September 27, 2004 Authority Conference, the panel voted unanimously to suspend the proposed rate increase for ninety days, from October 10, 2004 through January 7, 2005, and appoint the Authority's General Counsel or his designee to act as the Hearing Officer in this proceeding to hear preliminary matters prior to the Hearing, to rule on any petition(s) for intervention, and to set a procedural schedule to completion. To facilitate the completion of the

proceedings in this docket within the time frame set forth in Tenn. Code Ann. § 65-5-203 the panel discussed moving forward with setting the Hearing in February, 2005 and encourage persons interested in intervening to do so as soon as possible to participate in discovery in advance of the Hearing. The panel also voted unanimously to require the Hearing Officer to provide status reports at each Authority Conference regarding the progress of this docket.

**IT IS THEREFORE ORDERED THAT:**

1. The rate increase proposed by Tennessee American Water Company in the *Petition of Tennessee American Water Company to Change and Increase Certain Rates and Charges So As to Permit It to Earn a Fair and Adequate Rate of Return on Its Property Used and Useful in Furnishing Water Service to Its Customers* is suspended through January 7, 2005.

2. The Authority's General Counsel or his designee is appointed Hearing Officer in this proceeding to hear preliminary matters prior to the Hearing, to rule on any petition(s) for intervention, and to set a procedural schedule to completion. The Hearing Officer shall provide status reports to the panel at each Authority Conference regarding the progress of this docket.



Pat Miller, Chairman



Deborah Taylor Tate, Director



Sara Kyle, Director